

Transport for London

Safety and Sustainability Panel

Subject: Key Findings from Internal Audit Reports

Date: 4 December 2013

1 Purpose

- 1.1 The purpose of this paper is to inform the Panel about Internal Audit Reports related to Safety and Sustainability issued during Quarter 2 2013/14.
- 1.2 The Panel is asked to note the paper.

2 Background

- 2.1 Appendix 1 provides a summary of the Health, Safety and Environment (HSE) and Technical audit reports issued during Quarter 2. On completion of each HSE and Technical Audit, an audit report is issued to the 'Client' within the business who commissioned the work and copied to other relevant staff involved in the audit. Where corrective actions or improvement actions are agreed to address issues identified by the audit, these are tracked by the audit team, including review of supporting evidence, in order to confirm that the issues have been properly addressed.
- 2.2 The most significant of the reports issued during Quarter 2 include the following, and in all cases the issues raised have been accepted by management and actions are being taken forward to address them:
 - (a) Stress restoration – a number of non-conformances were identified with regard to compliance with hot weather management requirements following removal of rail defects;
 - (b) Rolling Stock Depot Safety Management – there was scope for significant improvement to the linkage of risk assessment to systems of work;
 - (c) London Tramlink – Provision of Engineering Site Protection Staff – although arrangements were generally effective, there was one non-conformance relating to a failure to properly record an instance of poor performance;
 - (d) London Overground Capacity Improvement Programme (LOCIP) Design Management for Silwood Sidings – Five Business Improvement Actions were identified in respect of the management system arrangements relating to design management; and
 - (e) LU Asbestos Management – Two main issues were identified in respect of delivery of refresher training and maintenance of the asbestos register. A number of other opportunities for improvement were also noted.

3 Recommendation

3.1 The Panel is asked to note this paper.

4 Contact

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Reference	Report Title	Final Report Issued	Original Objective	Summary of Findings
Rail and Underground				
Delivery of capital investment portfolio and contract management				
13_783	Maintenance Planning for London Tramlink Tram Vehicles	07/08/2013	To assess the compliance and effectiveness of planning of maintenance processes	<p>The Bombardier Transportation Services (BTS) Croydon tram maintenance unit was operating in compliance with established Quality Policy and Instructions. Planning for scheduled maintenance activity was supported by embedded processes and records management systems that held maintenance history unique to tram car unit numbers and its equipment and parts.</p> <p>Tram maintenance had been subject to advance planning based on vehicle mileage, identified maintenance routines and authorised schedule update.</p> <p>However, maintenance regime practice and controls are not accurately reflected in the Quality Management System (QMS) and it is necessary that BTS address this by a QMS revision.</p> <p>A satisfactory process existed for management of 'change', recognising that maintenance regime change included materials, method and equipment used. However, the BTS change documentation applicable to BTS Croydon should be clarified.</p>
13_744	London Tramlink - Provision of Engineering Site Protection Staff by Skyblue Recruitment Solutions	30/07/2013	To provide assurance that effective systems are in place to manage the risks with regards to supplying staff (e.g. competence, Drugs and Alcohol testing, fatigue)	<p>Skyblue has demonstrated that temporary Safety Protection and labour resource for railway system shift work supply is being provided compliant with London Tramlink (LT) contract requirements and the TfL Category 1 Standard S1548 Safety Critical Work.</p> <p>Skyblue operations were controlled by a comprehensive management system that comprised Group Carillion Construction Services and Skyblue management system documentation.</p> <p>Satisfactory procedures have been issued by Skyblue to deliver employee selection and engagement. Resource training and competence management processes including the supporting staff records were satisfactory.</p> <p>Resource supply booking and shift working time management was satisfactory for managing the resourcing needs of LT.</p> <p>One non-conformance was noted relating to a failure to record the reported unacceptable performance of a Safety Protection resource at a LT site during April 2013 on the Skyblue sub-standard performance management and reporting system. There is also a scope to improve resource booking by LT and the client performance feedback process can be improved.</p>
13_821	Supplier competency and Fatigue Management - Schweerbau	14/08/2013	Confirmation of Supplier's capability to meet LU requirements effectively and safely with regards to competency, fatigue management, drugs and alcohol and Immigration compliance.	<p>Schweerbau demonstrated a good understanding of the standards required for effectively managing competence, training, safety critical licensing, internal audit, incidents, working time directive and fatigue management.</p> <p>Schweerbau have a comprehensive Competence Management system in place to ensure that only competent staff are assigned to work on Asset Performance (AP) JNP assets.</p> <p>Effective processes are in place covering all scope areas and only one observation was noted.</p>

Reference	Report Title	Final Report Issued	Original Objective	Summary of Findings
13_703	LOCIP Design Management for Silwood Sidings	12/07/2013	To identify and assess the effectiveness of the London Overground Management System arrangements relating to design management and assurance for the Silwood Sidings part of the London Overground Capacity Improvement Programme (LOCIP), and to identify any improvement opportunities.	<p>Five Business Improvement Actions were identified and agreed:</p> <ul style="list-style-type: none"> • LOCIP procedures are being developed and used outside of the LO Management System - this arrangement needs formal authorisation. • LOCIP and TfL Pathway teams are to consider making improvements to Engineering and Design Products, based on LOCIP Pathway Product Management Plans experience. • Programme and Project Execution Plans (PEPs) are to be prepared at both Programme level and Project levels. • The use of "Safe by Design" techniques and hazard warning triangles is to be fully embedded within the next three months. • Design deliverables are to be agreed and provided at a much earlier stage in the project life cycle.
Disruption to quality of service				
13_720	Power Services Contract-Management of logs	22/07/2013	To evaluate the adequacy and effectiveness of controls undertaken by Powerlink in the management of various Logs in compliance with Power Supply Contract Schedule	<p>The audit found that the procedures and processes supporting the management of the various logs appeared satisfactory. The procedures were comprehensive and well documented, and adequately managed in practice. From the evidence presented to the auditors it appears that Powerlink has appropriate systems in place and compliance was largely achieved.</p> <p>There were no significant findings and hence no CARs. The audit made three observations to add value to Powerlink's management system which relating to ensuring review of Work Instructions is completed within the stipulated timescale, updating Work Instructions in line with Powerlink Policy and ensuring the Telephone Failures Log is up to date.</p>
13_805	Trans Plant Safety Certificate	14/08/2013	To assess Trans Plant's competency management system with regard to safety critical licensing, training management.	<p>There has been a demonstrable improvement in management principles at Trans Plant since the incidents of safety critical licences expiring during 2012. All safety critical licences at Trans Plant are within date.</p> <p>An action plan was put in place to address the competency management issues from 2012. This needs to be monitored through to full implementation.</p> <p>Trans Plant management and the Training department at Lillie Bridge now hold periodic meetings leading to improved scheduling of training and training packages being based on manufacturing standards.</p> <p>There are systems in place at Trans Plant for ensuring that all matters relating to the Safety Certificate are managed effectively, and communicated to the Office of Rail Regulation, relevant LU staff and other interested parties, as appropriate.</p> <p>Trans Plant is developing a new safety critical licence and competence spreadsheet, which will simplify the existing system to co-ordinate all safety critical licence information and associated training needs.</p> <p>Effective systems are in place for the management of internal and external audits, including the close out of actions arising from them.</p>
13_715	DLR – Handover of Assets	28/06/2013	To assess the effectiveness of arrangements for the Handover (HO) and Hand back (HB) of Assets from Operational use to-and-from upgrades / projects executed	<p>The audit found generally good familiarisation and use of processes and templates (Certificates and Checklists) as defined within the Asset Handover and Handback Procedure (from the Working on the Railway Manual).</p> <p>One non-conformance within the 'West Route Track Renewals' project was raised due to not producing the necessary HB and Final Completion certificates not having been produced.</p>

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			by DLR, Serco Docklands (SD) or a Primary Works Contractor (PWC).	<p>Six Observations were also noted within the projects sampled mainly relating to partial / insufficient completion of certificates for HOs & HBs.</p> <p>In all, the audit found that although the processes and relevant templates & documentation are generally used by the Project Managers and related parties; there is room for ensuring that all documentation is fully completed and approvals undertaken in a timely manner.</p>
13_705	Stress restoration	10/07/2013	To confirm that appropriate action is taken with regard to stress restoration and rail joint removal following the removal of rail defects from track	<p>This audit focussed on whether track maintenance staff are complying with the Hot Weather management requirements, following removal of rail defects.</p> <p>In total five non-conformances were identified:</p> <ul style="list-style-type: none"> • There was no evidence that the Critical Rail Temperature (CRT) calculations were checked by the Track Technical Manager (TTM) or Track Infrastructure Manager's (TIM's) delegated representative on Central Line, to give assurance that the calculations and derived CRT value are correct. • The site files for Continuous Welded Rail (CWR) on Central Line are added to the CWR database, but there was no evidence of information being recorded in Ellipse, to act as a back up for the CWR database in case of loss of data. • It was found that CRT was not recalculated after the disturbance work at some locations on SSL North, particularly after the disturbance work at Rayners Lane. This could lead to incorrect CRT being used. • The Stress Free Temperatures (SFT) original and achieved values were not included in the Stress Restoration Certificate for Wimbledon Park (SSL South), making this a stress unknown site and, therefore, impossible to calculate the CRT. • The Stress Restoration Certificates for renewed defective rails at Moor Park and Chalfont & Latimer were not checked by the Track Technical Assistance or Engineer in technical control, to confirm acceptance of details in the certificate. <p>One improvement opportunity and one good practice were also identified across the three asset areas.</p>
Major Incident - External				
13_718	Project Pre-construction Information- Bond Street Upgrade	23/07/2013	To assess the effectiveness of processes for identification and communication of pre-construction information	<p>The audit found that the provision of pre-construction information by LU is undertaken in a controlled manner. However two areas for improvement and one area of concern were identified. These were:</p> <ul style="list-style-type: none"> • Of the 5 LU auditees, only one made any reference to the Project Management Framework (PMF) which details and controls the processes and duties required for compliance to the Construction, Design and Management (CDM) 2007 Regulations. This has the potential, although small, for activities to be duplicated or missed resulting in failure to meet the legislative requirements. • The CDM roles spreadsheet required by the PMF had not been completed resulting in lack of clarity within the London Underground project team with regards to the roles of 'Client' and 'CDM-Co-ordinator' • There was an on-going problem with designs not being ready in sufficient time for adequate planning of construction activities which could result in failure to meet the project mile stones / program. <p>With regards to the contractor CoLOR (a joint venture between Costain and Laing O'Rourke), it was demonstrated that a system was in place for the passing on of the pre-construction information provided by LU, however one area for improvement was identified.</p>

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				<ul style="list-style-type: none"> There was no formal process in place for the provision of some pre-construction information between CoLOR and a sub-contractor where the sub-contractor did not have access to A-Site (the project document management system) or where future work activities may be affected by site conditions. This could result in failure to meet the project milestones / program or there could be an increase in the risk to health and safety.
13-832	Hendon Central Group- Handbook Compliance	02/08/2013	To assess the compliance with key requirements of the managers' handbooks, mainly on Health, Safety & Environment	<p>The audit sampled compliance at Edgware and Chalk Farm Stations and Hendon Central management and administration offices.</p> <p>A general observation was that there was no formal handover from the previous Centurion as per the Manager's Handbook, which would have assisted the new GSM. However, it is noted that the new GSM has begun to implement key systems; in particular a programme of system checks has been developed and commenced.</p> <p>The key sections for improvement are: Risk Assessment, Monitoring, Performance & Competence Management and Ticketing and Revenue</p> <p>Overall the group was rated 'B' Adequately Controlled – This means controls were generally operating satisfactorily, but where minor strengthening of processes or procedures should be addressed.</p>
13_833	Metropolitan Line- Handbook Compliance	15/08/2013	To assess the compliance with key requirements of the managers' handbooks, mainly on Health, Safety & Environment	<p>The audit sampled compliance at Harrow on the Hill Signal Cabin, the Train Movement Room at Neasden Depot and management and administration offices at Baker Street.</p> <p>A general observation was that although there was a handover from the previous Manager, it did not cover all prescribed items under the Manager's Handbook.</p> <p>The key sections for improvement are Risk Assessment, Organising and managing your team, Finance and Payroll and Centurion Administrator.</p> <p>Overall the group was rated 'C' (Requires Improvement) indicating that there are a number of significant issues noted which mean that the controls are generally not present or effective, and action needs to be taken to adequately improve them.</p>
13_840	Wembley Central Safety Handbook Compliance	06/09/2013	To assess the compliance with key requirements of the managers' handbooks, mainly on Health, Safety & Environment	<p>The audit sampled compliance at Queens Park, Harlesden and Wembley Central Stations and Premier House management and administration offices.</p> <p>A general observation was that there was no formal handover in May from the previous Centurion as per the Managers Handbook, which would have assisted the GSM. However, it is noted that the GSM has implemented key systems; in particular a programme of system checks.</p> <p>The key sections for improvement are: Risk Assessment, Emergency Arrangements and Stations operations</p> <p>Overall the group was rated 'B' Adequately Controlled – This means controls were generally operating satisfactorily, but where minor strengthening of processes or procedures should be addressed.</p>
12_808	LU Asbestos Management	05/07/2013	To verify the effective establishment of systems and procedures to comply with asbestos legislation and LU	<p>The main issues identified were:</p> <ul style="list-style-type: none"> Whilst there are documented procedures in place designed to ensure that, where asbestos is present, the asbestos register is kept current, the flow of information from project works does not always

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			standards. The audit considered activities within District, Bakerloo and Circle lines' rolling stock maintenance and depot premises including equipment and plant	<p>happen. Better guidance should be provided to Project Teams by strengthening the contents of Pathway.</p> <ul style="list-style-type: none"> Improvement is required in the delivery of refresher training in accordance with legislative requirements. There is work in progress on this to produce and deliver an internal certified course. <p>Other opportunities for improvement are:</p> <ul style="list-style-type: none"> Ownership of the LU Asbestos Standard is with the Principal Premises Engineer. However asbestos is present in other assets and so the ownership by someone who can take a more strategic view would be beneficial. There has been some backlog in the processing of information by the Asbestos Control Unit. A plan to recover this and to prevent future recurrence will ensure that the asbestos register is kept as current as possible. Within Rolling Stock Depot environments there are work instructions which comply with legislation. However, some of this instruction could be simplified to ensure staff know what to do. Due to organisational changes the LU Asbestos Standard needs updating.
12_313	Points and Crossings Renewal and Upgrade Special Conditions and Concession Management	01/07/2013	To provide assurance that concessions against technical standards associated with new Point & Crossings installations are being managed effectively in line with LU's Management System.	<p>The audit found that the processes established for preparation and delivery of concessions are compliant with LU Standards and ensure that the risks are considered appropriately.</p> <p>However, it was also found that immaturity and inconsistencies of supporting systems and processes mean that management control post concession approval is not sufficient to provide assurance that agreed conditions have been implemented.</p> <p>The audit found that once concessions are approved, gaining assurance that conditions are implemented is not routinely undertaken by management. Discussions indicated recognition of a need to develop and document a systematic process, including responsibilities and information flows, to ensure that the outputs stated in the relevant LU Category 1 Standard are systematically achieved. The process should include:</p> <ul style="list-style-type: none"> The use of a consistent and effective IM tool to record and track conditions which are visible to those who require assurance. At present several IM tools are used. Clarity regarding responsibility for confirming the implementation of each specific condition.
13_719	LU Capital Programmes Safe Systems of Work	17/07/2013	To review the production, review and communication of Safe Systems of Work (SSOW) against PMF and local guidance and to identify improvement opportunities.	<p>Positive findings were that:</p> <ul style="list-style-type: none"> All the contractors sampled have local processes and templates in place to produce a comprehensive SSOW; There are good levels of collaboration and communication evident between the contractors and the LU Project Team to ensure SSOW are reviewed and discussed to ensure all risks are included with mitigations in place; A programme of works are shared between the contractors and LU Project team to ensure sufficient timeframes are followed to have the SSOW in place in time for the site work to commence; Track Partnership conducts audits on SSOW once work on site has commenced to ensure the workforce are following the SSOW on site. <p>The most significant area for improvement relates to the format of the documents used to communicate the SSOW to the workforce. Track Delivery Unit (TDU) has to comply with PMF and use the briefing templates. At present, the site person in charge (SPC) is briefing straight from the method statement. As part of the best</p>

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				<p>practice Safe Method of Work (SMOW) there is a briefing template for contractors to use. Whilst this is not compulsory, not all contractors are aware of it and so improvements in its communication are possible.</p>
13_717	Rolling Stock Depot Safety Management	04/09/2013	<p>To examine the extent to which safety risks in Rolling Stock Depots are being systematically managed, utilising key elements of the ORR Railway Safety Maturity Model as a benchmark.</p>	<p>The audit sampled four depots: Northfields and Stratford (JNP); Northumberland Park (BCV) and Neasden (SSL).</p> <ul style="list-style-type: none"> • Risk Assessment and Management- awareness of the requirements for risk assessments is recognised and understood at all levels, although understanding and implementation of the hierarchy of controls can be improved. Risk Assessment and Management across depots is at Level 1. (Ad-hoc) • Safe Systems of Work – The audit found that safe systems of work for train maintenance activities are in place across all depots and are documented as Process Instructions or Vehicle Maintenance Instructions. Systems of Work is at Level 2 (Managed) • Pro-Active Monitoring Arrangements – All depots have some form of monitoring in place however there are gaps between management system requirements and practice. Generally there was inconsistency regarding how monitoring is completed and how effectively actions were raised and tracked to completion. Pro-Active Monitoring is at Level 2. (Managed) • Corrective Action - There is no consistent and homogeneous method for capturing local corrective actions. These arise from: risk assessments, pro-active monitoring activities, H&S Tier 1 meetings etc. Corrective Action is at Level 2 (Managed) <p>Overall, there are significant improvements that can be made to link risk assessment to systems of work and then monitoring to ensure the systems control risk ALARP and are followed. Two Non Compliances, Eight Business Improvement Actions and one observation were raised during the audit.</p>